

**Present:** Dan Chavre; Ray Day, Jr.; Kathy Dunn; Dave Elliott; Kumiko Huff; Jane Kuechle, vice chair; Joan Michaels; Ed Miller; Carla Saulter; Tina Shereen

**Excused:** Laila Barr; Miranda Leidich; Roger Thordarson, chair

**Staff:** Barbara de Michele, Community Relations liaison; Kevin Desmond, General Manager

Kuechle called the meeting to order at 6:05 p.m, explaining that chair Thordarson was absent due to a family illness. Kuechle introduced the four candidates for appointment to the TAC, all present in the audience: Chris Fankhauser, Carol Finn, Carl Johnson, and Michael ONeal.

### **Transit Budget and System Reductions**

Before beginning his remarks, General Manager Desmond announced that he had just hired a webmaster for the Metro website, and thanked the TAC for its advocacy on this issue. TAC members responded with a round of applause.

Desmond reviewed current knowledge about the revenue projections and possible service reductions with the TAC (see attached PowerPoint presentation). Executive Kurt Triplett has proposed a nine-point plan for addressing revenue imbalances. His plan would result in a 9 percent decrease in service over a two-year period. Some councilmembers have already presented alternative plans. The results of the transit audit are in, and being reviewed by council. The final budget for 2010-2011 will be adopted by the Council before Thanksgiving, at which time Metro will move to implement the adopted plan.

In response to a question from Saulter, Desmond stated, "the really long-term solution to Metro's problems is to get out of sales tax and get a new revenue source." He reviewed graphs demonstrating the volatility of the sales tax and its long-term detrimental impact on Metro service. "Basically, we never recover from economic downturns using the sales tax. There will always be a re-bounce, which will help, but we are permanently diminished by these revenue shortfalls" he concluded. Alternatives to the sales tax include the motor vehicle excise tax and property taxes

Other questions from TAC members included:

(Shereen) Is there a chance that the projected revenues are too optimistic? (Desmond) The major agencies that provide us with projections agree that the recession has hit bottom. But it's going to be a long, slow recovery.

(Michaels) When will you go to the riders and tell them that you are going to cut their service? I also understand that you are cutting bus stops. (Desmond) Some of the early cuts can be done administratively. We are not anticipating a major outreach to the public until summer or fall of next year. Yes, we are proposing to reduce the number of

stops on the Route 7, partly as a cost-saving measure but also because it provides riders with a smoother, faster ride.

(Day) I want to applaud you and your team for putting this presentation together. In the long run, the public will have its say. (Desmond) The public will have to decide how we can put Metro on a more stable funding base.

(Huff) Is there anything you need to hear from the sub-areas? (Desmond) The Executive's plan is meant to avoid "transit wars" between the sub-areas. In the end, we will all lose, if we can't agree that the entire system needs to grow to meet the demand. There is no place in King County that doesn't want more transit service.

### **Celebration of Ray Day, Jr., and Joan Michaels**

Following Desmond's presentation, members celebrated the service given by Ray Day, Jr. and Joan Michaels. Both completed terms on the TAC. Day served for five years as the only at-large member ever appointed. Michaels completed one term and chose not to opt for a second term. Kuechle asked each to give advice to the candidates attending the meeting:

- Michaels: It's been a very interesting experience. I thought that I would be transitioning out of Bellevue by now, but I'm not. I'm looking forward to a new adventure.
- Day: My words of wisdom are to stick to your guns with regard to the issues. If they are important to you, they are important to others. I would also say that everyone should be a chair or a vice-chair during their time on the TAC. Don't fear it – it's a great learning experience. And finally, we have a code of conduct and we work on a consensus basis and that has served us well.

### **Response to Budget Presentation**

Members discussed Desmond's presentation:

- Saulter: I have no reaction. It's a very depressing situation. I see the reasoning behind avoiding the suburban-Seattle conflicts, but it would still be my preference to evaluate cuts based on route productivity.
- Miller: It's been very interesting these last couple of years. We always talk about that gap, and you can see how we're never recovering that base. Is there anybody who is successful with this tax environment? Agencies everywhere are having problems. I don't know how to approach it. We tried the op-ed, talking about the possibility of an MVET tax. So it's becoming very frustrating. I would just like to know how to make the cuts less painful.
- Michaels: I felt like this presentation was a lot more defined, and they are getting a handle on the situation. I would like to know what the priorities are, but we have been through this before. The problem is the dependence on sales tax. We need an income tax but there's no political will for it. I do feel somewhat more optimistic after Kevin's presentation.
- Dunn: They have made progress on this. The last time I saw a presentation there was a lot more that wasn't known. They are spreading the pain out over a wide area. I wonder about the public reaction and how this is going to play out. I

think people will push for an MVET tax. I also think we need to give buses priority over cars within the city. If everyone could see the benefit of taking transit, there would be more riders, and more people invested in finding a solution.

- Chavre: I repeat, come to Enumclaw and take those routes. It's not worth running the service. If you have to make cuts, you have to make cuts.
- Shereen: I'm generally sad. All the areas where I spend my time – on the bus, at the clinic, working as a volunteer – are taking cuts. I just feel mostly sadness.
- Huff: I ride the infamous Route 358 bus. To the people who take it, it has always been crowded, standing-room-only. These people also probably can't afford a 50 cent fare increase. And if the service is cut, that means more buses passing by passengers waiting at the curb. There are parts of the system where any cut is really going to hurt people, the people least able to take it.
- Elliott: I don't think most people realize the beating the state has taken on sales tax revenues. In Bellevue, car dealership tax revenues went down by \$1 million. We're looking at a 20 percent reduction right across the boards. Bellevue has decided, once again, not to institute its little circulator bus.
- Fankhauser: I ride the Route 150 every day. When gas prices went up, we saw a huge increase in our ridership. We need to artificially raise the gas tax. That would drive people to the buses. A lot of people support an income tax. If people saw a huge increase in the price of gas, they'd begin to look to other sources of revenue.
- Johnson: One of the things that will have a big impact on transit in the future is hyper-inflation. I'm also worried about ORCA and the e-purse. The value has gone down and the simplicity has gone down. We need to add value to the actual ride, make the ride easier, more pleasant. Design and implement value.
- Finn: I try to take the bus everywhere I go. I live on the Eastside. One of the biggest issues for people in our region is that we don't just want to go to Seattle. From Eastgate, I can get to Seattle faster than I can get to Bellevue. The bus just isn't convenient. I try to take the bus to the UW and to Renton, but it is almost impossible to get to Renton from the Bellevue area. When the bus gets more convenient, more people will take the bus.
- Chavre: I think we should look into incentives. What are some ways to get more people onto the bus?
- Fankhauser: What if Metro partnered with ATT or Verizon to offer WiFi on the bus?
- Michaels: Some transit agencies offer "free days." I know we're facing a deficit, but offering something like that would let people try the service for free.
- Saulter: Instead of focusing on ridership, I'm focusing on keeping as much service as possible.
- Miller: I'm with Carla. Ridership isn't the issue. I don't think we're going to see a big farebox increase. It's really about focusing on preserving the service.

- Dave Elliott was elected vice-chair to serve as chair in January, February and March of 2010. Kuechle will assume the position of chair for October, November and December.
- As previously announced to the group via e-mail, de Michele said that the CAC Conference had been cancelled due to a small number of registrations.
- De Michele reported that the process of nominating and confirming the four candidates will move forward. She will work with Fankhauser, Finn, Johnson and O'Neal to hold an orientation and talk about next steps.
- Shereen inquired about the letter to jurisdictions. It was agreed by consensus to wait until after the elections to send the letter to selected jurisdictions.
- Miller agreed to attend the September Regional Transit Committee meeting.

The meeting was adjourned by Vice-Chair Kuechle at 8:15 p.m.